Commission Regulation (EC) No 1668/2005 of 13 October 2005 fixing the interest rates to be used for calculating the costs of financing intervention measures comprising buying-in, storage and disposal for the 2006 EAGGF Guarantee Section accounting year

COMMISSION REGULATION (EC) No 1668/2005

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THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Community,

Having regard to Council Regulation (EEC) No 1883/78 of 2 August 1978 laying down general rules for the financing of interventions by the European Agricultural Guidance and Guarantee Fund, Guarantee Section[(1)], and in particular Article 5 thereof,

Whereas:

(1) Article 3 of Commission Regulation (EEC) No 411/88 of 12 February 1988 on the method and the rate of interest to be used for calculating the costs of financing intervention measures comprising buying-in, storage and disposal[(2)], lays down that the uniform interest rate used for calculating the costs of financing intervention measures is to correspond to the three-month and 12-month forward Euribor rates with a weighting of one third and two thirds respectively.

(2) The Commission fixes this rate before the beginning of each EAGGF Guarantee Section accounting year on the basis of the rates recorded in the six months preceding fixing.

(3) In accordance with Article 4(1) and (2) of Regulation (EEC) No 411/88, a specific interest rate is to be fixed for Member States which, for six months or more, have borne an interest rate lower than the uniform interest rate set for the Community. Where a Member State has failed to communicate the average rate of its interest costs before the end of the accounting year, the specific interest to be applied is determined on the basis of the reference interest rates shown in the Annex to the said Regulation.

(4) Article 4(3) of Regulation (EEC) No 411/88 lays down that, for accounting years 2005 and 2006, where the average rate of interest costs borne by a Member State is more than twice the uniform interest rate determined for the Community, the Community may reimburse the interest costs on the basis of the uniform interest rate plus the difference between twice that rate and the actual rate borne by the Member State concerned.

(5) Given the Member States' communications to the Commission, the interest rates applicable for the 2006 EAGGF Guarantee Section accounting year should be fixed in the light of the various factors into account.

(6) The measures provided for in this Regulation are in accordance with the opinion of the EAGGF Committee,

HAS ADOPTED THIS REGULATION:

Article 1

For expenditure incurred during the 2006 EAGGF Guarantee Section accounting year:

1. the uniform interest rate referred to in Article 5 of Regulation (EEC) No 1883/78 shall be 2,2 % for Member States other than those listed in points 2 and 3 below;

2. the specific interest rate referred to in Article 4(1) of Regulation (EEC) No 411/88 shall be:

   (a) 2,1 % for the Czech Republic, France, Austria and Finland;

   (b) 1,8 % for Sweden;

3. the interest rate reimbursed according to Article 4(3) of Regulation (EEC) No 411/88 shall be:

   (a) 3,2 % for Cyprus;

   (b) 5,1 % for Hungary;

   (c) 3,0 % for Poland;

   (d) 2,8 % for Slovenia;

   (e) 2,3 % for the United Kingdom.

Article 2

This Regulation shall enter into force on the day of its publication in the *Official Journal of the European Union*.

It shall apply from 1 October 2005.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels, 13 October 2005.

For the Commission

Mariann FISCHER BOEL

Member of the Commission